New policy for poverty alleviation

†2503. SHRI MAHENDRA SAHNI: Will the PRIME MINISTER be pleased to state:

(a) whether Government are contemplating to formulate a new policy for poverty alleviation programme in the country;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN): (a) to (c) No proposals have been received from the concerned Ministries for a new policy for poverty alleviation programme in the country. New proposals will be considered in the Eleventh Five Year Plan, which has not been prepared.

Definition of poverty line

†2504. SHRI LAXMINARAYAN SHARMA: Will the PRIME MINISTER be pleased to state:

(a) the procedure for the assessment of the persons living below poverty line and definition of poverty line; and

(b) the total number of persons living below poverty line in the country during the year 2001 and number thereof in the year 2005?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN): (a) The procedure for the assessment of the persons living below poverty line adopted by the Planning Commission is based on the methodology contained in the Report of the Expert Group on Estimation of Proportion and Number of Poor. Using this methodology, the State-wise percentage of population living below poverty line is estimated from the state-specific consumption distribution obtained from the large sample Survey on household consumer expenditure conducted by the National Sample Survey Organization (NSSO) and the state-specific poverty lines. Then the number of persons living below the poverty line is estimated from the State-wise population projections made by the Office of the Registrar General and the percentage of population living below poverty line.

†Original notice of the question was received in Hindi.

The poverty line is defined as per capita consumption of Rs. 49.09 per month in rural areas and Rs. 56.64 per month in urban areas at 1973-74 prices at national level. This corresponds to basket of goods and services anchored on a norm of per capita daily calorie requirement of 2400 kcal in rural areas and 2100 kcal in urban areas. These national level poverty lines in the rural and urban areas are disaggregated into state-specific poverty lines using state-specific price defferentials. These state-specific poverty lines of 1973-74 are updated for the later years using state-specific Consumer Price Index of Agricultural Labourers (CPIAL) in the rural areas and Consumer Price Index of Industrial Workers (CPIIW) in the urban areas following the methodology contained in the Report of the Expert Group of Estimation of Proportion and Number of Poor. The latest estimate of State-wise poverty lines in rural and urban areas available for the year 1999-2000, are given in the enclosed Statement (*See* below).

(b) The Planning Commission estimates the incidence of poverty at national and state level from the large sample survey on household consumer expenditure conducted by the National Sample Survey Organization (NSSO) at an interval of approximately five years following the methodology contained in the Report of the Expert Group of Estimation of Proportion and Number of Poor. The latest estimate of poverty is available for the year 1999-2000 based on the large sample survey of consumer expenditure data of the 55th Round of NSS. According to this, 2602.50 lakh persons in the country lived below the poverty line in 1999-2000. The estimate of the number of people living below the poverty line during 2001 is not available.

On the basis of provisional consumer expenditure data of 61st Round of the National Sample Survey (NSS), as reported in the draft Approach Paper to the Eleventh Plan, the poverty ratio at the national level is estimated as 27.8 per cent in 2004-05 using Uniform Recall Period (URP, in which the consumer expenditure data for all the items are collected from 30-day recall period) and about 22 per cent using Mixed Recall Period (MRP, in which the consumer expenditure data for five non-food items, namely, clothing, footwear, durable goods, education and institutional medical expenses are collected from 365-day recall period and the consumption data for the remaining items are collected from 30-day recall period). Based on the population estimates derived from population projections contained in the "Report of the Technical Group on Population

Projection" constituted by the National Commission on Population and published by the Office of the Registrar General and Census Commissioner, India, the total number of persons living below poverty line in the country during the year 2004-05 works out to 303.84 million using the poverty ratio estimated from Uniform Recall Period and 240.45 million using the poverty ratio estimated from Mixed Recall Period.

Statement

State-specific poverty lines in 1999-2000

(Rs. per capita per month)

S No	State	Rural	Urban
1	Andhra Pradesh	262.94	457.40
2	Assam	365.43	343.99
3	Bihar	333.07	379.78
4	Gujarat	318.94	474.41
5	Haryana	362.81	420.20
6	Himachal Pradesh	367.45	420.20
7	Karnataka	309.59	511.44
8	Kerala	374.79	477.06
9	Madhya Pradesh	311.34	481.65
10	Maharashtra	318.63	539.71
11	Orissa	323.92	473.12
12	Punjab	362.68	388.16
13	Rajasthan	344.03	465.92
14	Tamil Nadu	307.64	475.60
15	Uttar Pradesh	336.88	416.29
16	West Bengal	350.17	409.22
17	Delhi	362.68	505.45
	All India#	327.56	454.11

The poverty line (implicit) at all-India level is worked out from the expenditure class-wise distribution of persons and the poverty ratio at all-India level. The poverty ratio at all India level is obtained as the weighted average of the State-wise poverty ratio.